STATE OF ILLINOIS ILLINOIS COMMERCE COMMISSION

Verizon North Inc. (f/k/a GTE : North Incorporated) and :

Verizon South Inc. (f/k/a GTE : South Incorporated)

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Docket No. 00-0812

Petition seeking approval of Cost

Studies for Unbundled Network : Elements, Avoided Costs, and :

Intrastate Switched Access Services:

REPLY TO BRIEFS ON EXCEPTIONS OF THE STAFF OF THE ILLINOIS COMMERCE COMMISSION

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December 5, 2003

Now comes the Staff of the Illinois Commerce Commission ("the Staff"), by its attorneys, and pursuant to Section 200.830 of the Commission's Rules of Practice, 83 III. Admin. Code 200.830, respectfully states in reply to the Briefs on Exceptions of the other parties to the above-captioned proceeding, as follows.

The Illinois Rural Competitive Alliance (hereafter "IRCA") and AT&T Communications of Illinois, Inc. (hereafter "AT&T") both take extensive exception to the *Proposed Order*. *See, generally*, <u>AT&T BOE</u>, <u>IRCA BOE</u>. Verizon North, Inc. and Verizon South, Inc. (hereafter, collectively "Verizon") take no exception to the *Proposed Order*. *See* <u>Verizon BOE</u> at 1-2.

While no response to Verizon is warranted, the Staff notes that It is clear from the Briefs on Exceptions filed in this proceeding that no party other than Verizon supports the *Proposed Order*, and that no party other than Verizon considers the ICM model to be remotely adequate to the purpose of developing forward-looking, TELRIC compliant costs for UNEs. Staff, AT&T, and IRCA are in agreement regarding many of the problems with ICM, and deficiencies in the *Proposed Order*. See, e.g., Staff BOE at 1, et seq.; IRCA BOE at 3, et seq.; AT&T BOE at 3, et seq; (all parties other than Verizon correctly observe that ICM does not model the proper number of digital loop carriers or loop lengths); Staff BOE at 2-5, IRCA BOE at 3-4, AT&T BOE at 6-7 (all three parties note that the *Proposed Order* incorrectly finds an FCC requirement that a TELRIC-modeled network must be capable of providing advanced services, where no such requirement exists). This must give the Commission pause in accepting the *Proposed Order*, and indeed should cause the Commission to reject it.

Accordingly, the Staff, while not abandoning any of the arguments it advanced in its BOE, expresses its support for certain of the arguments advanced by AT&T and IRCA in their respective Briefs on Exceptions. Specifically, the Staff supports the arguments made by AT&T in its Exceptions Number 2, 3, and 5, and the arguments made by IRCA in Part I of its BOE.

The Staff views its own replacement provisions, as set forth in its BOE, as being the most suitable advanced by any party. Nonetheless, it notes that Commission adoption of replacement provisions propounded by AT&T or IRCA would be preferable to adoption of the *Proposed Order*.

WHEREFORE, the Staff of the Illinois Commerce Commission respectfully requests that its recommendations be adopted in their entirety consistent with the arguments set forth herein.

December 5, 2003

Respectfully submitted,

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